VZCZCXRO3394 PP RUEHAG RUEHROV RUEHSR DE RUEHCV #1636/01 3362217 ZNY CCCCC ZZH P 012217Z DEC 08 FM AMEMBASSY CARACAS TO RUEHC/SECSTATE WASHDC PRIORITY 2207 INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUMIAAA/HQ USSOUTHCOM MIAMI FL PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001636

SIPDIS

SOUTHCOM ALSO FOR POLAD DEPARTMENT PASS TO AID/OTI (RPORTER)

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TAGS: \underline{PGOV} \underline{KDEM} \underline{VE} SUBJECT: CHAVEZ SEEKS RE-ELECTION/GRABS POWERS FROM

OPPOSITION GOVERNORS

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Classified By: Francisco Fernandez, Political Counselor, for Reason 1.4 (d)

11. (C) SUMMARY: President Chavez is on the political offensive after the opposition scored some noteworthy gains in the November 23 state and local elections. In a nationally-televised November 30 speech, President Chavez urged his supporters to launch a signature drive that would force a new referendum on presidential term limits. He also said he is keeping a close eye on newly-elected opposition governors and mayors and would not permit "violations against the people." Outgoing PSUV governors and mayors are transferring local institutions to the central government and sacking state resources. The Government of the Bolivarian Republic of Venezuela (GBRV) is particularly hampering the mayoral and gubernatorial transitions in Maracaibo and Miranda State, respectively. END SUMMARY.

WILLING TO STAY ON UNTIL 2019

- 12. (SBU) During a nationally-televised November 30 speech at the swearing-in of Jorge Rodriguez, the new PSUV mayor of the Libertador borough of Caracas, President Chavez "authorized" his supporters to start a petition drive to eliminate the constitutional barrier to his second re-election. Chavez said the Venezuelan people are right -- "Uh, ah, Chavez will not go." During a December 1 speech, Chavez ordered his supporters to start gathering signatures now to prepare for a referendum on presidential term limits as soon as January 12009. The Venezuelan president stressed that he did not want to "pass 2009 debating whether Chavez is or is not a tyrant."
- 13. (SBU) Chavez was re-elected under the 1999 Constitution in December 2006 and his second term of office ends in January ¶2013. Chavez's supporters need to get signatures from 15 percent of the electorate to put the issue to a referendum. The elimination of presidential term limits was part of the constitutional reform package that voters narrowly rejected in December 2007. Most legal experts believe that the 1999 Constitution prohibits putting an issue to a referendum twice during the same presidential period. At the same time, most analysts do not believe the heavily politicized Venezuelan court system will stand in the way.
- 14. (SBU) In his November 30 speech, Chavez accused newly-elected opposition governors and mayors of being "fascists" and of interfering with the GBRV's social programs ("misiones"). He stressed that he is monitoring their

conduct "day by day" and warned that he would not stand by if they engage in "violations against the people."

PSUV'S SCORCHED EARTH TRANSITIONS

- 15. (C) Prior to departing office, numerous PSUV state and local officials have transferred authorities and resources to the central government. In Maracaibo, Embassy contacts report that outgoing PSUV Mayor Gian Carlo DiMartino and his followers are dismantling revenue streams and even the basic tools of government. DiMartino transferred the building that houses the Maracaibo mayor's office to the Society of Autistic Children, denying mayor-elect Manuel Rosales a place to work on December 3 when he takes office. The Maracaibo sports complex, where Maracaibo's professional baseball, soccer and basketball teams play has been shifted to the central government's Sports Ministry, cutting off the city's revenue stream.
- 16. (C) In addition, DiMartino moved the Paseo del Agua, Maracaibo's signature park, to the GBRV Ministry of Natural Resources and local authority over Maracaibo's unfinished metro to the central government's CorpoZulia. Embassy contacts report that the Maracaibo police helicopter has been transferred to either the Ministry of Interior and Justice or to the local Army garrison. In addition, there are widespread reports of the theft of office equipment, files, and blank purchase orders that could be used to bill the new mayor for fictitious goods and services.
- 17. (SBU) In Miranda, the local press reported similar thefts taking place in offices belonging to Miranda state government. Hardest hit was the Governor's information

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office where cameras, video kits, monitors, sound and video editing suites were being carried away by red-shirted looters. Outgoing PSUV governor Diosdado Cabello reportedly transferred three state hospitals and state bus lines to the central government. Incoming opposition mayor of the Sucre borough of Caracas Carlos Ocariz told the local media that the GBRV removed garbage trucks from the municipality and the borough's trash compactor disappeared overnight. (Note: Sanitation was a key point of dissatisfaction among urban voters that turned away from Chavez. End Note.)

COMMENT

- 18. (C) Chavez is going on the political offensive in the wake of the November 23 state and local elections, despite the fact that the opposition scored some significant gains in some of Venezuela's most populated entities. He appears to be gambling that the 5.5 million votes most recently cast for the PSUV will be sufficient to win the elimination of presidential term limits. The December 2007 referendum, however, demonstrated that many Chavez supporters are willing to abstain or vote against an unpopular initiative when they think the still popular Venezuelan president has gone too far. According to local opinion polls, most Venezuelans still oppose the elimination of presidential term limits.
- 19. (C) During the state and local election campaigns, Chavez threatened to cut off resources from states that voted for the opposition several times during the campaign. It appears that Chavez's supporters are making good on that threat without involving Chavez. Cutting off revenue streams and ignoring maintenance and general larceny may hobble local government, but it also risks of alienating voters in affected areas from the PSUV in future elections. Chavez and his supporters tend to lose popular support when they act in such a radical (vice populist) fashion.